



TriZetto Briefs Capitol Hill on Value-Based Insurance Design July 29, 2010

GREENWOOD VILLAGE, Colo.--(BUSINESS WIRE)--At a recent special briefing of congressional staffers and other interested parties in the Rayburn House Office Building on Capitol Hill, The TriZetto Group's Jeff Rideout, M.D. and Gail Knopf led a discussion of the potential impact of value-based insurance design (VBID) on healthcare quality, and the necessary I.T. systems and legislative steps needed to make it a reality for American consumers.

VBID is an approach to health insurance benefit design that removes barriers to effective care through lower member cost-sharing for essential medications and care. VBID often is focused on individuals with chronic health issues to encourage them to consistently manage those conditions and avoid complications that may require emergency room treatment or hospitalization.

Dr. Rideout, TriZetto's senior vice president of care and cost management, and chief medical officer, led off the event by highlighting the clinical importance of better alignment of consumers' behavior with their care needs. "Study after study shows the very negative impact of blunt cost control measures, especially for those with chronic conditions. By contrast, VBID puts the emphasis on rewarding the right behaviors for individual consumers, especially for those with chronic conditions. The consumer-specific sophistication of VBID is vital, especially given that 60 percent of chronically ill patients already have difficulty adhering to evidence-based treatments."

Knopf, vice president of VBID strategy at TriZetto, was the event's second featured speaker. She provided a number of examples documenting strong improvements in healthcare quality for consumers using VBID programs and how employer groups and insurers working together have demonstrated the ability to bend the healthcare cost curve through implementation of VBID programs.

In addition, Knopf highlighted TriZetto's proprietary research that illustrates broad support and interest for VBID: "Our own research covering more than 1,700 clinicians, employers, consumers, payers and brokers demonstrated that 70 percent or more of each of those survey groups expect VBID to deliver moderate to high impact on improving costs, patients' health and care quality. VBID is easily the most supported model for improving healthcare value and quality."

Knopf also highlighted the importance of legislative support for VBID. “The Affordable Care Act specifically empowered the secretary of Health and Human Services (HHS) to implement VBID. It is vitally important that the new rules being created by HHS, including new medical loss ratio definition requirements, enable the implementation of these quality improvement programs. In addition, we should be supporting Sen. Kay Bailey Hutchinson and Sen. Debbie Stabenow’s bill, S.1040, to test VBID methodologies for Medicare beneficiaries. The benefits to care quality for consumers and waste avoidance for the system overall are too important to let this concept languish.”

The July 14 session was sponsored by the Institute for e-Health Policy, which is dedicated to providing research and educational opportunities for public- and private-sector stakeholders on key issues affecting federal e-health policy decisions. The Institute is part of the HIMSS Foundation.

A recording of the presentation is available at the Institute for e-Health Policy’s website at: http://www.e-healthpolicy.org/seminarsSessions_20100714.asp, along with a number of reference documents. A new, comprehensive white paper about VBID is available from TriZetto at <http://www.trizetto.com/hpSolutions/vbBenefits.asp>.

About the Institute for e-Health Policy

In May 2008, the Institute for e-Health Policy was launched to provide research and educational opportunities for public- and private-sector stakeholders -- two key constituents who make and are most directly impacted by e-health policy decisions. The Institute is part of the HIMSS Foundation, a 501(c)(3) organization with charitable, scientific and educational goals.

The Institute hosts the Capitol Hill “Steering Committee on Telehealth and Healthcare Informatics.” Now in its 15th year, the Steering Committee offers a series of educational sessions, technology demonstrations and field visits.

Building on in-depth program content of more than 125 past programs, the agenda continues to focus on working with a wide variety of groups (academia, government and the private sector) to help develop legislative priorities and awareness related to telehealth, e-Health and healthcare informatics. A complimentary lunch is available at all scheduled sessions.

About TriZetto

TriZetto is pioneering VBID software and service solutions for healthcare payers. Founded in 1997, TriZetto is the leading privately held healthcare information technology company to the healthcare payer industry, with its technology touching half of the U.S. insured population. TriZetto’s vision for the industry, Integrated Healthcare Management, is the optimized coordination of benefits and care for healthcare consumers to improve the value of every healthcare dollar spent. The company’s offerings include enterprise and component software, hosting, outsourcing services and consulting that help payers implement and optimize their

operations and minimize the risk of bringing to market new products that drive competitive differentiation.